



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)
) ORDER NO. D07-111
YAMAHA MOTOR CORPORATION)
USA) CONSENT AND ORDER
) LEVYING A FINE
Authorized Service Contract Provider

FINDINGS OF FACT

1. Yamaha Motor Corporation USA ("Yamaha" or "The Company") is a registered Motor Vehicle Service Contract Provider in Washington State.
2. In 2006, Washington law was enacted which made Chapter 48.110 RCW applicable to motor vehicle service contracts. Accordingly, on September 25, 2006, Yamaha Motor Corporation USA applied for registration as a Motor Vehicle Service Contract Provider.
3. In reviewing the Company's application, OIC asked specifically whether Yamaha had sold any service contracts in the past. Yamaha had sold service contracts on non-vehicle products such as ATVs, watercraft, and snowmobiles. Yamaha had believed that these were "vehicles" that were exempt from the old Motor Vehicle Service Contract statutes (Chapter 48.96 RCW), and was not aware that sales of these non-vehicle service contracts required registration under Chapter 48.110 RCW.
4. The company issued 11,664 non-vehicle service contracts to Washington residents from enactment of Chapter 48.110 RCW in 1999 through becoming registered in September, 2006.

CONCLUSIONS OF LAW

1. By engaging in the unregistered sale of service contracts, Yamaha violated RCW 48.110.030(1).

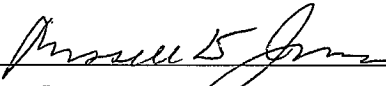
CONSENT TO ORDER

NOW, THEREFORE, Yamaha Motor Corporation USA consents to the following in consideration of its desire to resolve this matter without further administrative or judicial proceedings, and the Insurance Commissioner consents to settle the matter in consideration of the company's fine on such terms and conditions as are set forth below:

1. Yamaha consents to the foregoing Findings of Fact and Conclusions of Law as they pertain to these facts, consents to the entry of the Order and waives further administrative or judicial challenge to the OIC's actions related to the subject matter of the Order;
2. Within thirty days of the entry of this Order, Yamaha agrees to pay to the OIC a fine in the amount of \$32,000 (Thirty-Two Thousand Dollars);
3. Failure to pay the fine set forth in paragraph two shall constitute grounds for the revocation of Yamaha's status as a Registered Service Contract Provider; and
4. Yamaha understands and agrees that any future failure to comply with the statutes which are the subject of this Order constitutes grounds for further penalties which may be imposed in direct response to that further violation.

EXECUTED this 31 day of May, 2007.

YAMAHA MOTOR CORPORATION USA

By: 
Title: Senior Vice President

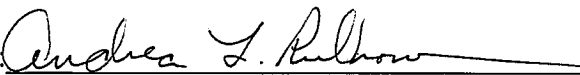
ORDER OF THE INSURANCE COMMISSIONER

NOW, THEREFORE, pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby orders as follows:

1. Yamaha Motor Corporation USA is ordered to pay a fine in the amount of \$32,000 (Thirty-Two Thousand Dollars).
2. The Company's failure to pay the fine within the time limit set forth above shall result in the revocation of the Company's status as a Registered Service Contract Provider, and in the recovery of the fine through a civil action brought on behalf of the commissioner by the attorney general.

ENTERED AT TUMWATER, WASHINGTON this 6th day of June, 2007.

Mike Kreidler
Washington State Insurance Commissioner

By: 
Andrea L. Philhower
Staff Attorney, Legal Affairs Division